



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 9, 2010

Owtging C0070013 #3705

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Ms. Lori Hunsaker Deputy State Historic Preservation Officer Division of State History 300 S. Rio Grande Street Salt Lake City, Utah 84101

Subject: Decision on No Adverse Effect to Historic Properties, Utah American Energy Inc., Lila

Canyon Mine, C/007/0013, Carbon County, Utah, Outgoing File

Dear Ms. Hunsaker:

UEI has submitted an amendment for five breakouts at the Lila Canyon mine to assist in providing adequate ventilation. The breakouts, located on BLM property were not inventoried in any previous cultural resource surveys. Please find enclosed a cultural resource survey, (# 10-276) from Montgomery Archaeological Consultants, (MOAC), prepared by Jody Patterson. A pedestrian survey of 1.1 acres on BLM property for 100% coverage was conducted for the breakout areas. The survey resulted in the finding of no cultural resources.

Based on their findings MOAC has recommended "archaeological clearance for the undertaking".

The Division agrees with MOAC's recommendation and makes a determination of no adverse effect to historic properties. We seek your concurrence with this determination. Please provide your concurrence at your earliest convenience.

Thank you for your comments on this case. Should you have any further questions, please contact me at (801) 538-5325 or Joe Helfrich at (801) 538-5290.

Date /20920/Ob-Refer to:

□ Shelf
□ Expandable

For additional information

Sincerely,

Daron R. Haddock Permit Supervisor

DRH/JCH/sqs Enclosures O:\007013.HOR\WG3705\SHPO letter.doc



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Lila Canvon Project P. O. Box 910 East Carbon, Utah 84501 Phone: (435) 888-4000

(435) 650-3157

Fax: (435) 888-4002





December 8, 2010

Daron Haddock Permit Supervisor 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

Re: UtahAmerican Energy, Inc. Horse Canyon Mine, Response to deficiencies 10-010 Minor Revision (Ventilation Breakouts) Horse Canyon Part B Lila Canyon ACT/009-013

Dear Mr. Haddock,

Attached you will find three (3) copies of submittal 10-010. This submittal addresses deficiencies identified in submittal 10-009

Reclamation will be simplified by moving the fan down to the portal pad and installing it on portal #0. Since all breakouts will be done from underground surface disturbance will be kept to a very minimum.

Since the breakouts are to be bonded an associated disturbed area had to be identified even though there will be very limited if any surface disturbance associated with the breakouts. There will be no changes in disturbed area, or permit area acreages.

All appropriate maps have been revised showing the location of all the new ASCA areas with the area of disturbance noted. Seeding of the ASCA areas is addressed in Appendix 7-4 page 59. No soils will be recovered at the limited area of the ventilation breakouts.

The bond calculations have been revised adding the ventilation breakouts. Since the changes in the bond calculation amounts to less than 1% no additional bond is required.

Upon final reclamation the breakouts will be sealed according to the approved plan for portal seals found in Appendix 5-6.

C1 And C2 forms are included as well as redline and strike out copies where applicable. A separateC2B form is included for the confidential archaeological information to be inserted in the confidential binder.

Your immediate attention is requested since we are scheduled to breakout in early December.

Should you have any questions please call.

Sincerely,

R. Joy Markall File in: Confidential

DATE Folder

O/O. For additional information

DIV. OF OIL, GAS & MINING



APPLICATION FOR PERMIT PROCESSING									
Permit Ch	ange 🗆	New Permit	I Renewal □	Transfer □	Exploration	Bond Release	Permit Number: ACT/007/013		
Title of Pr	Title of Proposal: Deficiencies for ventilation breakouts. 10-010 Mine: Horse Canyon								
CONFIDENTIAL Permittee: Uta							Permittee: UtahAmerican Energy, Inc.		
Description, include reason for application and timing required to implement:									
Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation									
□ Yes	□ No	1. Change in the size of the Permit Area? acres □ listurbed Area? acres □ increase □ decrease.							
□ Yes	□ No	2. Is the application submitted as a result of a Division Order? DO#							
□ Yes	□ No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?							
□ Yes	□ No	4. Does application include operations in hydrologic basins other than as currently approved?							
□ Yes	□ No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?							
□ Yes	□ No	6. Does the application require or include public notice/publication?							
□ Yes	□ No	7. Does the a	7. Does the application require or include ownership, control, right-of-entry, or compliance information?						
□ Yes	□ No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?							
□ Yes	□ No	9. Is the application submitted as a result of a Violation? NOV #							
□ Yes	□ No	10. Is the application submitted as a result of other laws or regulations or policies? Explain:							
□ Yes	□ No	11. Does the application affect the surface landowner or change the post mining land use?							
□ Yes	□ No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)							
□ Yes	□ No	13. Does the application require or include collection and reporting of any baseline information?							
□ Yes	□ No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?							
□ Yes	□ No	15. Does application require or include soil removal, storage or placement?							
□ Yes	□ No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?							
□ Yes	□ No	17. Does the application require or include construction, modification, or removal of surface facilities?							
□ Yes	□ No	18. Does the application require or include water monitoring, sediment or drainage control measures?							
□ Yes	□ No	19. Does the application require or include certified designs, maps, or calculations?							
□ Yes	□ No	20. Does the application require or include subsidence control or monitoring?							
□ Yes	□ No	21. Have reclamation costs for bonding been provided for?							
□ Yes	□ No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?							
□ Yes	□ No	23. Does the application affect permits issued by other agencies or permits issued to other entities?							
X Attach 3 complete copies of the application.									
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.									
	R. Las Marghell 12/8/10 Projet Margon DEC 08 2010								
Subscribed and swom to before me this gray or become to the state of utah COMMISSION # 574260 MARY V. KAVA MOTARY PUBLIC • STATE OF UTAH COMMISSION # 574260									
My Commission Expires Mary Public / Mary 1/6 45-2012									

My Commission Expires
Attest STATE OR COUNTY OF Emery

492012 1

ASSIGNED TRACKING NUMBER



Application for Permit Processing Detailed Schedule of Changes to the MRP

CONFIDENTIAL

Deficiencies for the ventilation breakouts 10-010

Permit Number: ACT/007/013

Mine: Horse Canyon

Permittee: UtahAmerican Energy, Inc.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. Include page, section and drawing numbers as part of the description.

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
□ ADD	□ REPLACE	□ REMOVE	Archeology report to the end of Appendix 4-1 in the CONFIDENTIAL binder
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Any other specific or special instructions required for Insertion of this proposal into the Mining and Reclamation Plan?

RECEIVED

DEC 08 2010

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